



Item 12: High Impact Policy Discussions in the Stakeholder Process

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ERCOT Public
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High Impact Policy Discussions: Overview

- **Purpose**

Provide an update on key policy issues currently in the stakeholder process

- **Voting Items / Requests**

- No action is requested of the Board; for discussion only

Key Takeaway(s)

- High-impact policy issues are currently in the stakeholder process and expected to be in front of the Board in 2025, including decisions regarding large load interconnection and response, Real-Time Co-Optimization (RTC), and Dispatchable Reliability Reserve Service (DRRS).
- ERCOT continues to work on highlighting key revision requests to the Board earlier and provide visibility on the evolution of issues through the stakeholder process.

High-Impact Policy Issues in the Stakeholder Process

Real-Time Co-Optimization + Batteries (RTC+B)

- **RTC+B Ancillary Services Duration Parameters**
 - Key revision requests related to Ancillary Service duration requirements (State of Charge) is up for Board consideration in June. This is the last planned group of design parameters needed for go-live.
 - › [NPRR1282](#), Ancillary Service Duration under Real-Time Co-Optimization
 - › [NOGRR277](#), Related to NPRR1282, Ancillary Service Duration under Real-Time Co-Optimization
- **Additional Revisions Required for Implementation**
 - Deliberations regarding the final refinements before RTC+B go-live ongoing at Real-Time Co-optimization plus Batteries Task Force (RTCBTF).
 - [NPRR1290](#), Gap Resolutions and Clarifications for the Implementation of RTC+B
 - › Addresses several gaps and provides necessary clarifications in the Protocol language.
 - › Introduces mitigation solution for limited scenario where Resources may be harmed by System Lambda capping process. Capping process originally considered under RTC Key Principles. It may be reasonable in the longer-term to consider alternative mitigation measures that have further reaching policy considerations.
 - › ERCOT anticipates filing a NOGRR to align the Nodal Operating Guide with the final NPRR 1290 language.

• Key Takeaway

- *Final Revision Requests related to RTC+B will be at the Board in September. Market Trials have started and the project is on-track for the December 5, 2025 go-live.*

High-Impact Policy Issues in the Stakeholder Process

Dispatchable Reliability Reserve Service (DRRS)

- Required by PURA § 39.159(d) as adopted by H.B. 1500 (88th Leg.)
- **NPRR1235, Dispatchable Reliability Reserve Service as a Stand-Alone Ancillary Service**
 - Primary vehicle for specifying how DRRS attributes and other design elements will be incorporated into the Protocols. Conceptually treats DRRS as an Ancillary Service.
 - ***Posted May 29, 2024***
 - ***Current Status: tabled at PRS***
 - › On June 13, 2024, PRS voted unanimously to table NPRR1235 and refer the issue to ROS and WMS
 - › On August 1, 2024, ROS voted to endorse NPRR1235 as submitted (7 abstentions)
 - › ERCOT has posted a [DRRS Workshop V](#) for June 26, 2025. The workshop will build on previous discussions around statutory requirements, real-time pricing, and procurement of DRRS with a focus on evaluating potential design options and communicating the next steps in stakeholder engagement.
 - › The intent is to host a series of workshops to refine design concepts and bring NPRR language back to the stakeholder process before the end of the year.
- In December 2024, The PUC provided additional guidance regarding DRRS as part of the Ancillary Services Study (P-55845).
 - ERCOT should design DRRS to ensure that it meets its primary role as an Ancillary Service to mitigate operational risks in real-time and reduce the use of Reliability Unit Commitment (RUC). ERCOT should also design flexibility into the mechanism for procuring DRRS as a potential resource adequacy tool.

High-Impact Policy Issues in the Stakeholder Process

Large Load Issues

- **Senate Bill (SB) 6**
 - Major legislation relating to the planning for, interconnection and operation of, and costs related to providing service for large electrical loads.
 - › Requires ERCOT to establish a threshold at which to issue notice that large load customers with backup generation may be directed to either deploy backup generation or curtail load.
 - › Adds requirement for ERCOT to study the impacts of net-metering arrangements involving the co-location of new large loads with existing generators.
 - › Requires ERCOT to develop a reliability service to competitively procure demand reductions for large load customers with a demand of at least 75 MWs in anticipation of emergency conditions.
 - › ERCOT will monitor and participate in PUC rulemaking(s) to implement standards for interconnecting large load customers and incorporating forecasted large load in planning.
- **Market Participant-Sponsored Revision Requests**
 - [NPRR1202](#), Refundable Deposits for Large Load Interconnection Studies
 - › Posted September 22, 2023 (Lancium)
 - › Current Status: withdrawn
 - [NPRR1226](#), Estimated Demand Response Monitor
 - › Posted April 23, 2024 (ERCOT Steel Mills)
 - › Current Status: TAC voted unanimously to recommend approval, **at Board for consideration in June**
 - [NPRR1238](#), Voluntary Registration of Loads with Curtailable Load Capabilities
 - › Posted June 6, 2024 (Golden Spread Electric Cooperative)
 - › Current Status: TAC voted unanimously to recommend approval, **at Board for consideration in June**
 - [NPRR1267](#), Large Load Interconnection Status Report
 - › Posted January 8, 2025 (Joint Sponsors- Residential Consumer/OPUC)
 - › Current Status: TAC voted unanimously to recommend approval, **at Board for consideration in June**

High-Impact Policy Issues in the Stakeholder Process

Large Load Issues

- **Large Load Working Group (LLWG)** kicked off in May 2025 and is responsible for developing and recommending policies to facilitate the reliable and efficient integration of Large Loads into the ERCOT system. LLWG's work covers a range of technical and market issues, including planning, operations, and market-related processes for Large Load interconnection and management.
- **Emerging Issue: *Large Electronic Load (LEL) Voltage Ride-Through***
 - LEL are facilities where the majority of the energy consumption is from compute-based load – mainly data centers and cryptomining loads.
 - The system continues to see a large number of LELs that are not riding through relatively common occurrences on the grid. As the number and size of affected load continues to grow, the risk of a major event increases.
 - ERCOT hosted a [Large Load Workshop](#) on June 13, 2025, to discuss additional measures that may be needed to address ride-through concerns associated with LELs operating and interconnecting in the ERCOT Region and the need for more accurate models of such capability.
 - ERCOT will be seeking information regarding LEL ride-through capabilities through Request for Information (RFIs) to the Transmission Service Providers (TSPs) and the Large Load Interconnection Study (LLIS) process to inform models and identify potential mitigation options.
 - Next steps:
 - › Draft voltage ride-through standard expected at Q3 2025 LLWG meeting

High-Impact Policy Issues in the Stakeholder Process

Renewable Energy Credit (REC) Program

- PURA § 39.9113 as adopted by H.B. 1500 (88th Leg.) requires ERCOT to maintain an accreditation and banking system to award and track RECs on a voluntary basis.
 - ERCOT sponsored [NPRR 1218](#) to codify the regulatory changes.
 - Trading program requirements established in [16 TAC § 25.173](#), *Renewable Energy Credit Program*. The rule provides ERCOT the option to assign additional attributes to RECs, but the PUC determined that creating new types of credits, or authorizing ERCOT to do so, was beyond the scope of the rulemaking proceeding.
- **[NPRR1264](#), Creation of a New Energy Attribute Certificate Program**
 - Introduces the concept of Energy Attribute Certificates (EACs) that could be earned by any generator, regardless of fuel type, and makes RECs a subcategory of EACs.
 - Creates a certification program that would allow Resources to use a third-party to provide documentation to ERCOT regarding how they met certain operational characteristics.
 - Adds a programmatic interface to EAC trading and accounting and allows ERCOT to contract a third-party administrator for the program.
 - In March 2025, ERCOT requested comments from interested parties on certain policy questions to better understand the business justification.
 - › *Posted: December 19, 2024 (Texas Energy Buyers Alliance (TEBA)/Goff Policy)*
 - › *Current Status: tabled at PRS, WMS voted to endorse*

• Key Takeaway

- *ERCOT has identified two outstanding core policy questions related to NPRR1264: Is ERCOT or the PUC the right forum for the overall policy discussion and does the EAC program align with ERCOT's strategic goals?*
- ***The Board will hear from NPRR1264's sponsor regarding the program, why it is needed, and how it fits ERCOT's mission at the June Board.***



High-Impact Policy Issues in the Stakeholder Process

Residential Demand Response (DR)

- Developing a Residential DR Program is a key ERCOT corporate priority for 2025 in line with Enterprise Objectives and Key Results (OKR) Objective 2.
 - Residential DR represents a source of capacity that is not fully enabled today. There is an opportunity for ERCOT to collaborate with stakeholders to develop a program that can incent and grow residential DR capacity as an additional resource that can help support system reliability.
 - Voluntary Residential DR program would provide an incentive payment based on response at time of system need with a focus on high seasonal net load hours,
 - ERCOT hosted Residential DR workshops in [May](#) and [June](#) 2025 to provide a conceptual overview, discuss high-level design for the program, and start to refine the proposal based on initial feedback.
 - Next steps:
 - › Additional feedback requested by July 11, 2025
 - › ERCOT sponsoring an NPRR in August 2025.
- **Key Takeaway**
 - Residential DR development and future market design evaluation is not an ‘either-or’ proposition.
 - The significant future growth forecasted for the Region warrants considering an ‘all of the above’ approach to meet ERCOT’s reliability mandate.

High-Impact Policy Issues in the Stakeholder Process

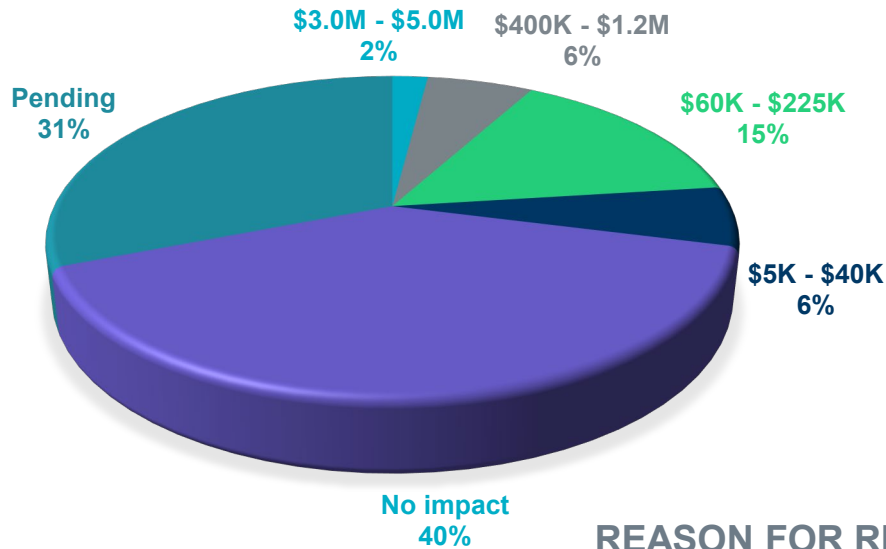
Planning Criteria

- **NPRR1286, Establish Multi-Value Criteria for Resiliency-Related Transmission Project Evaluation**
 - Seeks to establish new multi-value planning criteria to address the process for determining whether ERCOT will endorse a reliability or economic project that addresses a resiliency issue., in accordance with [16 TAC § 25.101](#).
 - *Posted May 21, 2025*
 - *Current Status: tabled at PRS, referred to ROS*
- **PGRR127, Addition of Proposed Generation to the Planning Models**
 - Outlines the additional generators that may be included in planning models to address the generation shortfall introduced by the implementation of House Bill (HB) 5066 (88R) and unprecedented load growth in Texas.
 - In order to plan the ERCOT Transmission Grid to interconnect the forecasted load, the planning models need to have sufficient generation for the cases to solve.
 - *Posted May 30, 2025*
 - *Current Status: pending at PRS*

Appendix

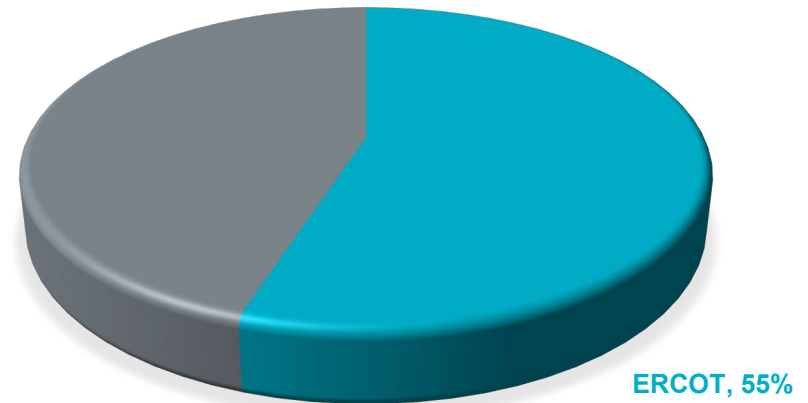
62 Revision Requests in Process

BUDGETARY IMPACTS

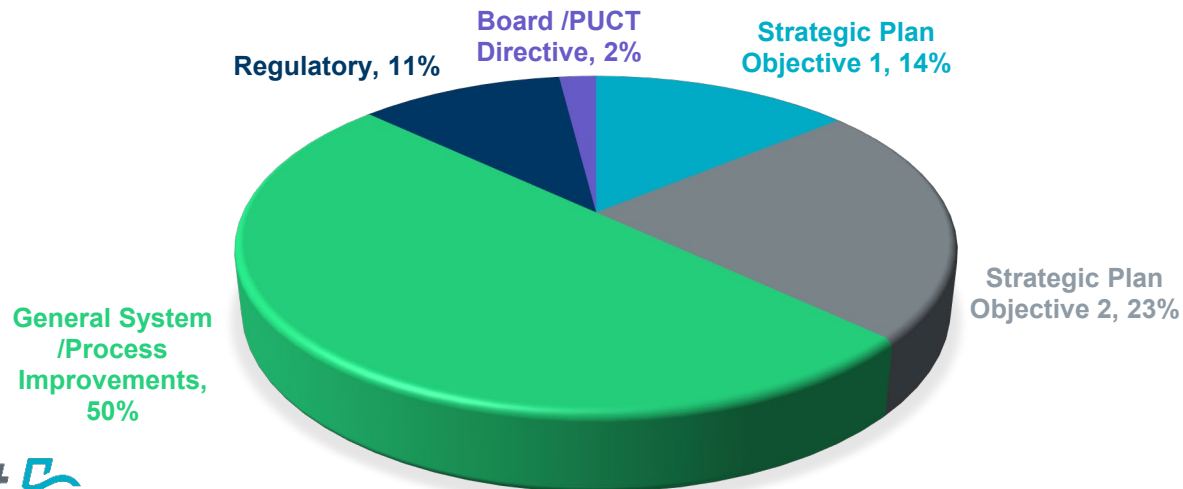


SPONSORSHIP

Market, 45%

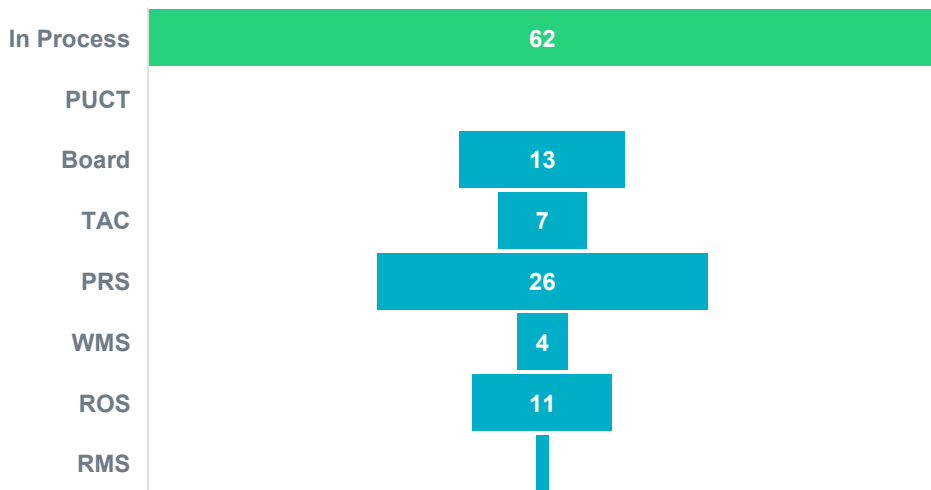


REASON FOR REVISION

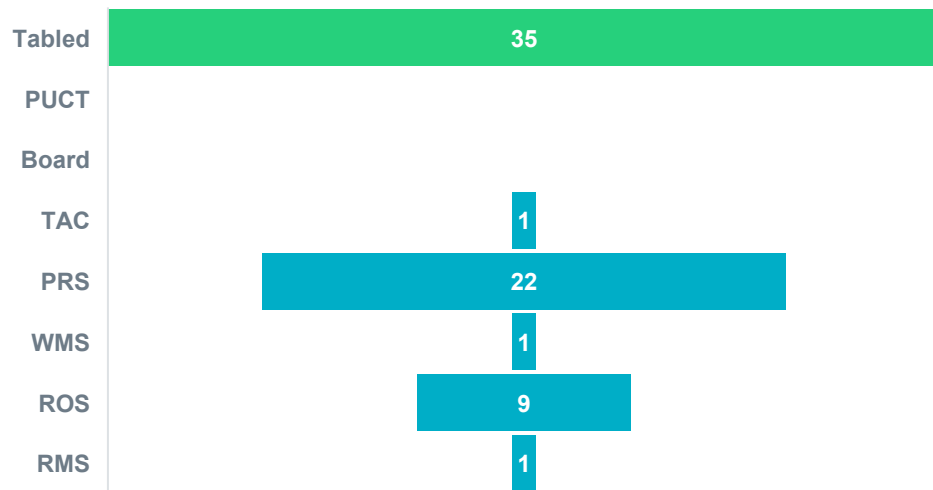


62 Revision Requests in Process

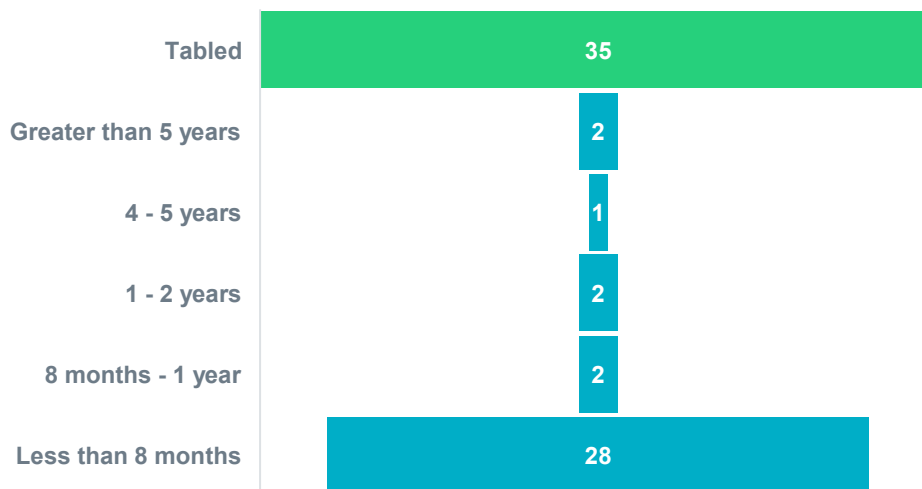
LOCATION OF REVISION REQUESTS



LOCATION OF TABLED REVISION REQUESTS



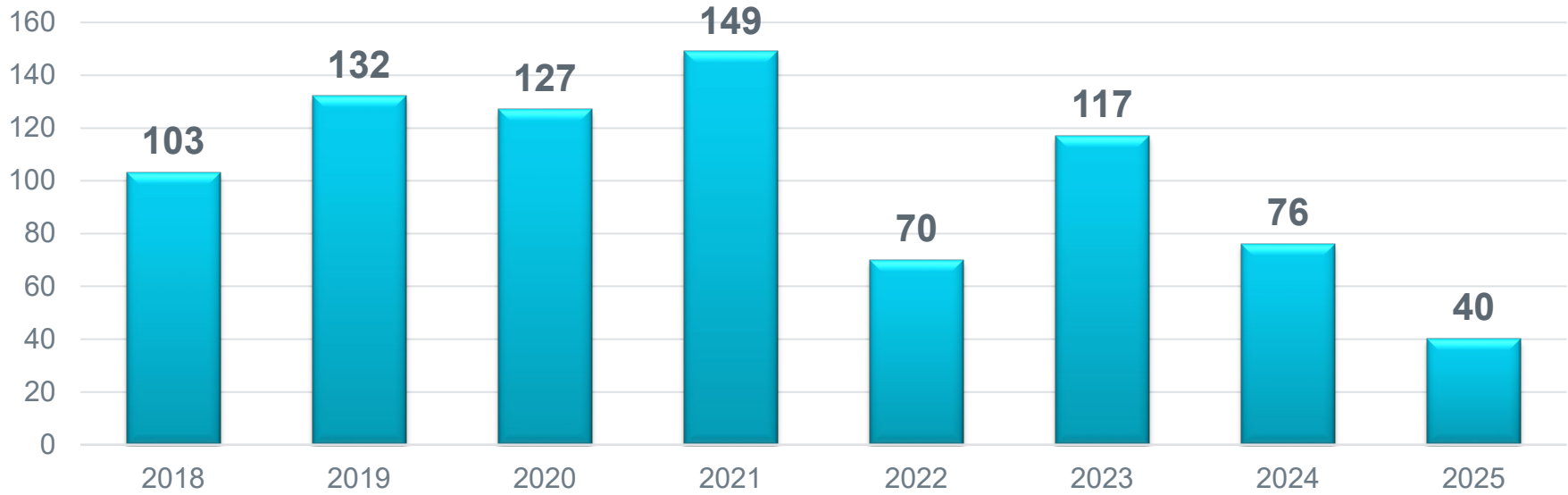
LENGTH TABLED



Aging Revision Requests in Process (Tabled for over 8 months)

Revision Request	Length Tabled	Notes
NPRR956, Designation of Providers of Transmission Additions. [ERCOT]	Greater than 5 years (7/7/19)	Tabled at PRS. Entities filed suit in the U.S. District Court for the Western District of Texas to challenge the validity of Senate Bill 1938. Recently, the District has issued a verdict against SB 1938 -a decision that is likely to be appealed. ERCOT will continue to comply with SB 1938 unless and until a final judicial determination requires otherwise.
PGRR073, Related to NPRR956, Designation of Providers of Transmission Additions. [ERCOT]	Greater than 5 years (8/8/19)	Tabled at ROS. See NPRR956
NPRR1070, Planning Criteria for GTC Exit Solutions. [EDF Renewables / Pattern Energy]	3 - 4 years (4/15/21)	Tabled at PRS. ERCOT requested NPRR be tabled until resolution of related PUCT Rulemaking (see 10/22/21 ERCOT comments). Referred to OWG, PLWG, WMWG for further discussion. Awaiting comments from the sponsor to update the proposal for continued stakeholder discussion.
SCR826, ERCOT.com Enhancements [Residential Consumer]	1 – 2 years (7/25/23)	Tabled at PRS. ERCOT presented at the December PRS an online “request form” under construction for 2025 to facilitate these sorts of dashboard/website requests
NPRR1235, Dispatchable Reliability Reserve Service as a Stand-Alone Ancillary Service [ERCOT]	8 months - 1 year (6/13/24)	Tabled at PRS. Referred to WMS. Multiple workshops held (and scheduled in the future) to discuss design options for this service. Depending on the chosen path there may be extensive comments to NPRR1235 or a replacement NPRR filed.
NOGRR264, Related to NPRR1235, Dispatchable Reliability Reserve Service as a Stand-Alone Ancillary Service [ERCOT]	8 months – 1 year (9/19/24)	Tabled at TAC. See NPRR1235.
NPRR1255, Introduction of Mitigation of ESRs [ERCOT]	8 months – 1 year (10/17/24)	Tabled at PRS. ERCOT filed comments in April 2025 modifying the original proposal based on discussions with stakeholders. PRS then referred the issue to WMS for continued review of this modified proposal. Referred to CMWG for further review.

Statistics – New Revision Requests Submitted



New Revision Requests submitted since April Board:

- [NPRR1280](#), Establish Process for Permanent Bypass of Series Capacitor
- [NPRR1281](#), Improvements to Alternate FFSS Resource Designation
- [VCMRR044](#), RTC+B – Mitigated Offer Cap for Hydro Generation Resources
- [NOGRR277](#), Related to NPRR1282, Ancillary Service Duration under Real-Time Co-Optimization
- [NPRR1282](#), Ancillary Service Duration under Real-Time Co-Optimization
- [NPRR1283](#), Modification of SSR Mitigation Timeline
- [NPRR1284](#), Guaranteed Reliability Load Process
- [PGRR126](#), Related to NPRR1284, Guaranteed Reliability Load Process
- [NPRR1285](#), Improve Self-Commitment within RUC Opt Out Window
- [SMOGR034](#), Remove Obsolete Gray Box regarding NPRR1020
- [NPRR1286](#), Establish Multi-Value Criteria for Resiliency-Related Transmission Project Evaluation
- [RMGRR183](#), Competitive Retailer Information Portal (CRIP) and Weather Moratorium Updates
- [NPRR1287](#), Revisions to Outage Coordination
- [NPRR1288](#), Remove Multiple Month Transactions in CRR Auctions
- [NPRR1289](#), Option Price Report and Establish 1 MW Bid Minimum
- [NPRR1290](#), Gap Resolutions and Clarifications for the Implementation of RTC+B
- [PGRR127](#), Addition of Proposed Generation to the Planning Models
- [NPRR1291](#), Modify Annual Demand Response Report Posting Date and Include Language to Address PUCT SUBST. R. 25.186

Appendix: Acronyms

Acronym	Term
ASDC	Ancillary Services Demand Curve
CMWG	Congestion Management Working Group
CRIP	Competitive Retailer Information Portal
CRR	Congestion Revenue Right
DR	Demand Response
DRRS	Dispatchable Reliability Reserve Service
EAC	Energy Attribute Certificates
ECRS	ERCOT Contingency Reserve Service
ESR	Energy Storage Resource
FFSS	Firm Fuel Supply Service
GTC	Generic Transmission Constraint
LEL	Large Electronic Load
LLIS	Large Load Interconnection Study
LLWG	Large Load Working Group
NOGRR	Nodal Operating Guide Revision Request
NPRR	Nodal Protocol Revision Request
OKR	Objective and Key Result
ORDC	Operating Reserve Demand Curve
OWG	Operations Working Group
PGRR	Planning Guide Revision Request

Appendix: Acronyms

Acronym	Term
PLWG	Planning Working Group
PRS	Protocol Revision Subcommittee
QSE	Qualified Scheduling Entity
REC	Renewable Energy Credit
RFI	Request for Information
RMGRR	Retail Market Guide Revision Request
ROS	Reliability and Operations Working Group
RRGRR	Resource Registration Glossary Revision Request
RTC+B	Real-Time Co-optimization plus Batteries
RTCBTF	Real-Time Co-optimization plus Batteries Task Force
RUC	Reliability Unit Commitment
SCR	System Change Request
SOC	State of Charge
SSR	Subsynchronous Resonance
TSP	Transmission Service Provider
VCMRR	Verifiable Cost Manual Revision Request
WMS	Wholesale Market Subcommittee
WMWG	Wholesale Market Working Group